Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Previously Presented) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular, a riser and a drilling fluid, comprising the steps of:

positioning at least a portion of a housing above the surface of the ocean; allowing the floating structure to move independent of the housing; communicating the drilling fluid from the floating structure to an annulus of the riser surrounding the rotatable tubular, comprising the steps of:

compensating for relative movement of the floating structure and the housing, comprising the steps of:

attaching a flexible conduit between the housing and the floating structure; and

moving the drilling fluid through the flexible conduit to the housing, and moving the drilling fluid through the housing and into the annulus.

- 2. (Previously Presented) The method of claim 1, wherein the step of positioning at least a portion of the housing above the surface of the ocean comprising the step of:

 lowering the housing through a deck of the floating structure.
 - 3. (Previously Presented) The method of claim 1, further comprising the step of: creating a mud cap at a downhole location.
 - 4. (Previously Presented) The method of claim 1, further comprising the steps of: moving the drilling fluid down the annulus; and returning a portion of the drilling fluid up the rotatable tubular.
- 5. (Previously Presented) A method for communicating drilling fluid from a structure floating at a surface of an ocean to a casing fixed relative to an ocean floor while rotating within the casing a tubular, comprising the steps of:

fixing a housing with the casing adjacent a first level of the floating structure;

allowing the floating structure to move independent of the housing;
moving the drilling fluid from a second level of the floating structure above the
housing down the casing; and

rotating the tubular relative to the housing,
wherein at least a portion of the housing is above the surface of the ocean,
wherein a seal is within the housing, and
wherein the seal contacts and moves with the tubular while the tubular is rotating.

- (Original) The method of claim 5, further comprising the step of:
 compensating for relative movement of the structure and the housing during the step of moving.
- 7. (Original) The method of claim 5, further comprising the step of:
 pressurizing the drilling fluid to a predetermined pressure as the drilling fluid flows into the casing.
- 8. (Previously Presented) The method of claim 5, further comprising the step of: creating a mud cap at a downhole location.
- 9. (Original) The method of claim 5, further comprising the step of: returning a portion of the drilling fluid up the tubular to the floating structure while rotating the tubular.
- 10. (Previously Presented) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a drilling fluid, comprising the steps of:

positioning a housing above a portion of a riser;
allowing the floating structure to move independent of the housing; and
communicating the drilling fluid from the structure to an annulus of the riser
surrounding the rotatable tubular, comprising the step of:

moving the drilling fluid through a flexible conduit between the floating structure and the riser.

11. (Previously Presented) The method of claim 10, the step of communicating the drilling fluid further comprising the steps of:

moving a predetermined volume of the drilling fluid down the annulus; and forming a mud cap.

12. (Previously Presented) The method of claim 10, the step of communicating the drilling fluid further comprising the steps of:

moving the drilling fluid down the annulus of the riser; and returning a portion of the drilling fluid up the rotatable tubular towards the floating structure.

13. (Previously Presented) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a drilling fluid, comprising the steps of:

removably inserting a rotatable seal in a portion of a riser;

allowing the floating structure to move independent of the riser;

communicating the drilling fluid from the floating structure to an annulus of the riser surrounding the rotatable tubular;

compensating for relative movement of the floating structure and the riser with a flexible conduit; and

forming a mud cap from the drilling fluid.

14. (Previously Presented) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a pressurized drilling fluid, comprising the steps of:

removably inserting a rotatable seal in a portion of a riser; allowing the floating structure to move independent of the riser;

communicating the pressurized drilling fluid from the floating structure to an annulus of the riser surrounding the rotatable tubular;

compensating for relative movement of the floating structure and the riser with a flexible conduit;

moving the pressurized drilling fluid down the annulus; and moving a portion of the pressurized drilling fluid up the rotatable tubular towards the floating structure.

15.-20. (Cancelled)

21. (Previously Presented) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a drilling fluid, comprising the steps of:

positioning a rotatable seal above an upper portion of a riser, the floating structure movable independent of the rotatable seal;

pumping the drilling fluid from the floating structure through a flexible conduit between the floating structure and the riser;

moving the drilling fluid from the floating structure through an annulus of the riser surrounding the rotatable tubular; and

forming a mud cap.

22. (Previously Presented) The method of claim 21, wherein the step of pumping the drilling fluid comprises the step of:

pumping a volume of the drilling fluid from the floating structure through the flexible conduit between the floating structure and the housing.

23. (Previously Presented) The method of claim 21, wherein the step of pumping the drilling fluid comprises the step of:

maintaining a desired pressure of the drilling fluid by a pump rate.

24. (Previously Presented) The method of claim 21, further comprising the step of:

- allowing debris and cuttings to flow into a theft zone below the mud cap.
- 25. (Previously Presented) The method of claim 21, further comprising the step of: pumping the drilling fluid down the rotatable tubular.
- 26. (Previously Presented) The method of claim 21, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
- 27. (Previously Presented) The method of claim 21, further comprising the step of: pressurizing additional drilling fluid above the mud cap to allow debris and cuttings to flow into a theft zone instead of being circulated up the annulus.
- 28. (Previously Presented) The method of claim 1, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
- 29. (Previously Presented) The method of claim 10, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
- 30. (Previously Presented) The method of claim 13, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
- 31. (Previously Presented) A method for drilling from a structure floating at a surface of an ocean, comprising:

coupling the floating structure and a riser with a flexible conduit;
moving a drilling fluid from the floating structure via the flexible conduit to an
annulus of the riser surrounding a rotatable tubular; and
circulating a portion of the drilling fluid down the annulus.

32. (Previously Presented) The method of claim 31, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure as the drilling fluid flows into the annulus.

33. (Previously Presented) The method of claim 31, wherein the step of moving the drilling fluid from the floating structure comprising the steps of:

pumping the drilling fluid through the flexible conduit; and managing a pressure of the drilling fluid in the annulus by controlling a pumping rate of the drilling fluid.

- 34. (Previously Presented) The method of claim 31, further comprising the step of: sealing the rotatable tubular to the riser with a rotatable seal, the rotatable seal rotating with the rotatable tubular.
- 35. (Previously Presented) The method of claim 31, further comprising the steps of: sealing the rotatable tubular to the riser with a rotatable seal, the rotatable seal rotating with the rotatable tubular; and maintaining a predetermined pressure of the drilling fluid with the rotatable seal.
- 36. (Previously Presented) The method of claim 34, wherein the flexible conduit communicates the drilling fluid to the annulus below the rotatable seal.
 - 37. (Previously Presented) The method of claim 31, further comprising the steps of: moving the drilling fluid from the floating structure to the rotatable tubular; and pressurizing the drilling fluid in the annulus at a higher pressure than the pressure of the drilling fluid in the rotatable tubular.
- 38. (Previously Presented) A method for drilling from a structure floating at a surface of an ocean, comprising the steps of:

disposing a housing with a portion of a riser, a portion of the housing extending above the surface of the ocean;

creating a mud cap at a downhole location, comprising:

communicating a drilling fluid from the floating structure to the housing via a flexible conduit;

moving the drilling fluid through the housing and into an annulus of the riser surrounding a tubular; and

moving the drilling fluid to a downhole location.

(Previously Presented) The method of claim 38, further comprising the steps of: 39. introducing additional drilling fluids through the flexible conduit and into the annulus; and

pressurizing the annulus above the mud cap with the additional drilling fluids.

The method of claim 38, wherein the step of (Previously Presented) 40. communicating the drilling fluid from the floating structure via the flexible conduit comprising the step of:

communicating the drilling fluid from a mud pump via the flexible conduit.

- (Previously Presented) The method of claim 38, further comprising the step of: 41. compensating for relative movement of the floating structure and the housing using the flexible conduit.
- (Previously Presented) The method of claim 38, wherein the housing is a housing 42. sized for receiving a rotating control head.
 - (Previously Presented) The method of claim 38, further comprising the step of: 43. allowing debris and cuttings to flow into a theft zone.
 - (Previously Presented) The method of claim 38, wherein the housing comprising: 44. a rotatable seal disposed with and sealing the tubular with the riser.
- (Previously Presented) The method of claim 38, wherein the downhole location is 45. a predetermined downhole location.
- The method of claim 38, wherein the step of (Previously Presented) 46. communicating the drilling fluid comprising the step of:

communicating a predetermined volume of the drilling fluid.

47. (Previously Presented) The method of claim 38, wherein the step of communicating the drilling fluid from the floating structure via the flexible conduit comprising the steps of:

pumping the drilling fluid from a mud pump via the flexible conduit into the tubular; and

managing a well bore pressure by a pump rate.

48. (Previously Presented) A method for moving a drilling fluid using a structure floating at a surface of an ocean, comprising the steps of:

coupling the floating structure and a riser with a flexible conduit;
moving the drilling fluid from the floating structure via the flexible conduit to an annulus of the riser surrounding a tubular; and
moving a portion of the drilling fluid down the annulus.

- 49. (Previously Presented) The method of claim 48, further comprising the step of drilling from the structure.
 - 50. (Previously Presented) The method of claim 48, wherein the tubular is rotatable.
- 51. (Previously Presented) The method of claim 48, further comprising the step of moving the portion of the drilling fluid, which has been moved down the annulus, up the tubular, and wherein the step of moving the portion comprises moving the portion of the drilling fluid down the annulus and up the tubular.
 - 52. (Previously Presented) The method of claim 48, further comprising the step of:

 pressuring the drilling fluid to a predetermined pressure as the drilling fluid flows into the annulus.

53. (Previously Presented) The method of claim 48, wherein the step of moving the drilling fluid from the floating structure comprises the steps of:

pumping the drilling fluid through the flexible conduit; and managing a pressure of the drilling fluid in the annulus by controlling a pump rate of the drilling fluid.

- 54. (Previously Presented) The method of claim 48, further comprising the step of: sealing the tubular to the riser with a rotatable seal, the rotatable seal being arranged to rotate with the tubular.
- 55. (Previously Presented) The method of claim 54, further comprising the step of: maintaining a predetermined pressure of the drilling fluid with the rotatable seal.
- 56. (Previously Presented) The method of claim 54, wherein the flexible conduit communicates the drilling fluid to the annulus below the rotatable seal.
 - 57. (Previously Presented) The method of claim 48, further comprising the steps of:

 moving the drilling fluid from the floating structure to the tubular; and
 pressurizing the drilling fluid in the annulus at a higher pressure than the pressure
 of the drilling fluid in the tubular.
 - 58. (Previously Presented) The method of claim 48, further comprising the step of: creating a mud cap.